(d) Yes, Sir. The Ministry of Railways has received representation made by various labour federation of the Railways.

Most of the Group-D employees constituting 41% of the total workforce and a large section of Group-C employees constituting 58% of the total work force, will be automatically exempted from the application of this rule. In the case of retired employees, almost all of them would be exempt from this provision.

Losses incurred by RRBs

5038. SHRI K. M. KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a number of Regional Rural Banks (RRBs) have been incurring financial losses;

(b) if so, the reasons therefor;

(c) whether RBI propose to provide refinance facility to the loss making RRBs so as to make them financially viable;

(d) if so, the details thereof;

(e) whether Government have appointed any Expert Committee to study and revamp the functioning of RRBs; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Prior to the introduction of financial sector reforms, the Regional Rural Banks (RRBs) were plagued by low profitability due to increasing cost and decreasing spread, high and mounting non-performing assets, deteriorating industrial relations, resulting in huge losses and consequent erosion in their capital base. The fragile State of the RRBs necessitated initiation of several policy measures by the Government which *inter-alia*, include recapitalisation, financial, structural and operational measures. These measures have been very successful and have brought in the desired results. As on March 2001, out of 196 RRBs, only 26 RRBs are incurring losses and 170 RRBs have earned profit.

(c) No, Sir.

(d) Does not arise.

(e) and (f) A Working Group under the Chairmanship of Shri M.V.S. Chalapathi Rao, Managing Director, National Bank for Agriculture and Rural Development (NABARD) has been constituted to review RRBs Act, 1976. The Working Group is required to review the progress in dispensation of rural credit especially through RRBs since their inception and to make detailed recommendations in regard to legal regulatory, supervisory, institutional and technological dimensions for making RRBs an effective instrument for development and growth of the rural economy.

Status of Domestic Manufacturers of Soda Ash

5039. SHRI BHAGATRAM MANHAR: Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question 569 given in the Rajya Sabha on 5th March, 2002 and state:

(a) the details of the domestic demand-supply position, comparative prices of indigenous and imported soda ash during the last two years;

(b) the status and composition of the domestic manufacturing and user industry or soda ash;

(c) the names of the organizations who have represented for revision of duty on soda ash, and whether Government have given them a hearing to sort out the matter; and

(d) if not, the reasons therefor and whether Government would invite them for further discussion to thrash out the matter and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) There is substantial domestic capacity and production of soda ash in India. Import dependence for meeting the domestic demand is not very significant. Over the last two years *i.e.* April, 2000 to March, 2002 as per the information available, the landed cost of imported soda ash ranged between Rs. 7515 and Rs. 8949 per MT, and has generally been higher than the price of domestic soda ash, which has ranged between Rs. 6000 and Rs. 8050 per MT.

(b) Soda ash industry is dominated by large-scale manufacturers and the industry shows significant concentration in Gujarat; whereas the glass and detergent industry have significantly large number of units, many of which are in the small scale sector and the industry is spatially more even [illegible]